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APPLICATION

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7097-63050

Honorable James H. Welsh
Commissioner of Conservation
Louisiana Office of Conservation
P.O. Box 94275
Baton Rouge, Louisiana 70804

RE: Upper Cotton Valley Formation, Reservoir A
Lower Cotton Valley Formation, Reservoir A
Vernon Field
Jackson Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **CHESAPEAKE OPERATING, INC.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **Upper Cotton Valley Formation, Reservoir A**, and the **Lower Cotton Valley Formation, Reservoir A**, in the Vernon Field, Jackson Parish, Louisiana, to-wit:

1. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from each of these reservoirs, such units to be designated UCV RA SU 131, LCV RA SU 131; UCV RA SU 132, LCV RA SU 132; UCV RA SU 133, LCV RA SU 133; UCV RA SU 134, LCV RA SU 134; UCV RA SU 135, LCV RA SU 135; and UCV RA SU 136, LCV RA SU 136;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed units, with

each tract sharing in unit production on a surface acreage basis of participation;

3. To designate a unit well and a unit operator for each of the proposed units, as may be appropriate;
4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Upper Cotton Valley Formation in the Vernon Field, Jackson Parish, Louisiana was previously defined in Office of Conservation Order No. 798-C, effective August 18, 1982, and redefined in Order No. 798-C-10, effective January 22, 2002.

The Lower Cotton Valley Formation in the Vernon Field, Jackson Parish, Louisiana was previously defined in Office of Conservation Order No. 798-B, effective January 23, 1981, and redefined in Order No. 798-B-23, effective January 22, 2002.

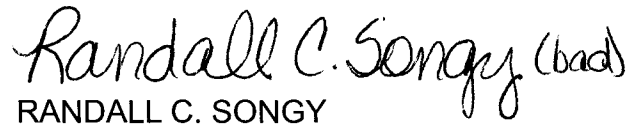
No conference to discuss the proposed application was held, as none was requested within the delays provided for by the Rules of Procedure; therefore, no opposition to this Application at the hearing is anticipated.

Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting **David Comeaux, with Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70508, (337)233-9839.**

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$1,510.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,


RANDALL C. SONGY

RCS/elg/bad

Enclosures

cc: Mr. Jim Broussard, District Manager
Office of Conservation

All Interested Owners, Interested Parties and
Represented Parties

P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Application even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

